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DEPARTMENT OF STATE

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Date DEC 15 1975

Initial NAR

Memorandum of Conversation

RELEASED IN FULL

DATE: November 26, 1975
TIME: 1:00 p.m.
PLACE: The Secretary's
Dining Room

SUBJECT: Secretary's Meeting with Foreign
Minister Chatchai of Thailand

PARTICIPANTS: Thailand

Foreign Minister Chatchai Chunhawan
Ambassador Anan Panyarachun, Embassy of Thailand
Director General Koson Sinthawanon, Ministry of
Foreign Affairs
Air Marshal Sitthi Sawetsila, Secretary General,
National Security Council
General Saiyut Koetphon, Deputy Director, Internal
Security Operations Command
Minister Sudhee Prasasvinitchai, Embassy of
Thailand

US

The Secretary
The Deputy Secretary
Assistant Secretary for East Asian and Pacific
Affairs Philip C. Habib
Mr. Brent Scowcroft, National Security
Council
Winston Lord, Director, S/P
George B. Roberts, Director, EA/TB (notetaker)

NODIS REVIEW

Oct. 8 - Caption removed;
transferred to O/FADRG
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Oct. C - Caption and custody
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Reviewed by Green
Date: 9/19 1978

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Before the Secretary arrived, Minister Chatchai and Mr. Habib had a short conversation in the Monroe Room. Chatchai said that his meeting with Ieng Sary went very well and that they had had cordial talks. Mr. Habib told Chatchai that the Lao had announced that they would permit the Thai to recover the beached patrol boat in the Mekong opposite Tha Bo. Chatchai had not heard this. Mr. Habib told the Minister of Panya Souvanna Phouma's escape from Laos by swimming the Mekong. Chatchai had also not heard of this.

EA/TB:GBRoberts:mgh
(Drafting Office and Officer)

FORM DS-1254

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UNITED STATES DEPARTMENT OF STATE

GDS

REVIEW AUTHORITY: DONALD A JOHNSTON

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SECRET/NODIS

- 2 -

The Secretary then arrived. He told Chatchai of the forthcoming Presidential trip to China and asked the Minister about his most recent visit to Peking. Chatchai said that he had gone to Kunming, the Thai capital 2,000 years ago.

The Secretary: As long as you tell the Chinese that you are opposed to detente, everything is O.K.

Foreign Minister: It was very cold in China. On my next trip I plan to go to Nepal.

The Secretary: Did you see Mao?

Foreign Minister: Yes, and Chou En-Lai also.

The Secretary: Chou? Really?

Foreign Minister: Yes, he was there. On my next trip, I'm going to Lhasa and Nepal.

The Secretary: You'll have to take Thai soldiers with you. You mean they're going to let you go to Lhasa?

Foreign Minister: Yes, they have agreed.

The Secretary: Are you sure? This must be the new Chinese diplomacy in which they let other countries chip away bits of China. The Russians will get Mongolia, and you will get Kunming.

Foreign Minister: When Ieng Sary came to Bangkok, he came in a brand new Chinese 707.

The Secretary: That's why I like to have meetings like this. It is the only way I find out what EA is doing.

Mr. Habib: I was able to tell the Minister about Souvanna Phouma's son's escape from Laos across the Mekong.

SECRET/NODIS

SECRET/NODIS

- 3 -

Foreign Minister: When Ieng Sary came in his new Chinese 707, they needed kerosene for the airplane. I met Ieng Sary again after he came to Bangkok.

(At this point, the group went into the Madison Room for lunch.)

The Secretary: What is the Cambodian attitude?

Foreign Minister: The Cambodians want salt and fish. They wanted to barter for these items.

The Secretary: Did Ieng Sary impress you?

Foreign Minister: He is a nice, quiet man.

The Secretary: How many people did he kill? Tens of thousands?

Mr. Habib: Nice and quietly!!

Foreign Minister: Not more than 10,000. That's why they need food. If they had killed everyone, they would not need salt and fish. All the bridges in Cambodia were destroyed. There was no transportation, no gas. That's why they had to chase people away from the capital.

The Secretary: But why with only two hours' notice?

Foreign Minister: (Shrugs.)

The Secretary: What do the Cambodians think of the United States? You should tell them that we bear no hostility towards them. We would like them to be independent as a counterweight to North Vietnam.

Foreign Minister: Are you a member of the Domino Club?

The Secretary: I am.

SECRET/NODIS

SECRET/NODIS

- 4 -

Foreign Minister: The outer, most exposed belt of dominos is Cambodia and Laos. Thailand is in the inner belt and is less exposed.

The Secretary: We would prefer to have Laos and Cambodia aligned with China rather than with North Vietnam. We would try to encourage this if that is what you want.

Foreign Minister: Yes, we would like you to do that.

The Secretary: And then after we do it you can kick us around. You can call Ambassador Anan home and thereby keep the students happy.

Foreign Minister: The right wing is what we really have to worry about, not the left. The Chinese are 100 percent in support of Cambodia's being friends with Thailand.

The Secretary: We don't mind Chinese influence in Cambodia to balance North Vietnam. As I told the Chinese when we last met when we were discussing the Vietnamese victory in Indochina, it is possible to have an ideological victory which is a geopolitical defeat. The Chinese did not disagree with me.

Foreign Minister: The South Vietnamese are not at all happy with the Northerners.

The Secretary: The North Vietnamese have to be the meanest people in the world. The North Koreans and Albanians are pretty difficult, but the North Vietnamese are by far the worst. They can lie to you effortlessly.

Foreign Minister: We talked with Phan Hien and he asked about you.

The Secretary: Who?

SECRET/NODIS

SECRET/NODIS

- 5 -

Mr. Habib: Do you remember Phan Hien? He is the Vice Foreign Minister now; he was Chief of their American Division earlier. He was on the North Vietnamese delegation to Paris. He was the one with the smooth dark hair.

The Secretary: Oh, that's really helpful. You mean there are some Vietnamese with curly hair?

Mr. Habib: No. He was the one with the really smooth hair. He had it slicked back like Rudolph Valentino.

The Secretary: Are there any blond Vietnamese?

Anyway, the Vietnamese in Paris used to make the same speech every morning. They used to say that if we would make a major effort, they would make a major effort. One morning the leader of the Vietnamese delegation said that if we would make a major effort, they would make an effort. At the end of the speech, I asked whether I had understood or whether he had in fact dropped an adjective. He explained that yesterday they had made a major effort, but we had only made an effort. So today we would have to make a major effort and they in turn would only make an effort.

Ambassador Anan: That's very interesting.

The Secretary: (To Mr. Habib) At any rate, give the man with the straight hair my affectionate regards.

Foreign Minister: Danish Foreign Minister Andersen asked me to say hello to you.

The Secretary: Thank you. He is a very nice man. How is Whitehouse doing? He is giving things away so fast we'll soon have nothing left

SECRET/NODIS

SECRET/NODIS

- 6 -

in Thailand. I say we should keep enough there so that you will have something to yell about to us.

Foreign Minister: He is getting along fine. Ambassador Whitehouse has a great advantage in having a very good counselor, Mr. Masters.

The Secretary: I like the residence in Bangkok very much. It is a very nice house.

Foreign Minister: The Thai Government owns it.

Mr. Habib: And we get it for a very low rent.

The Secretary: If you ever want a really tough negotiation with the United States, just mess around with our housing. You can form an alliance with the Soviets, link up with the Vietnamese, or come under Chinese influence and you'll only get a very mild protest. But if you interfere with our housing, then you will really have a problem on your hands.

Foreign Minister: We only charge you \$200 a month for the residence in Bangkok.

The Secretary: I'll go to Bangkok and move in.

Foreign Minister: But we already have enough refugees. We have Shans, Mons, Karens, and Vietnamese. I would like to thank you very much for the \$5 million you have made available for refugee relief through the UNHCR. I gather that you are going to try to reduce this contribution for next year. I just hope the refugees don't continue to come.

SECRET/NODIS

SECRET/NODIS

- 7 -

The Deputy Secretary: Maybe if we reduce our contribution, it will keep them from coming.

Foreign Minister: The residence in Bangkok is really beautiful.

The Secretary: But I can't have it. Perhaps I could go to Thailand when I leave this job and become a cabinet member. I could learn to speak Thai with an accent. After all, I speak English with an accent.

What are the problems between the United States and Thailand?

Foreign Minister: There are none. I came just to reaffirm our friendly relations. We are having friendly negotiations about your withdrawal.

There is only one problem. Our armed forces equipment is very old. We have no ammunition plants. We have to reshape and reorganize our armed forces. We want to re-equip 16 battalions. We have no F-5E's to oppose the 250 former US aircraft which were left in Vietnam.

The Secretary: Why weren't they flown out?

Mr. Habib: Some were.

The Secretary: We want to help you, but we have enormous problems with Congress. It is very embarrassing for me as a foreign minister to have to tell you this. The situation should improve after the elections. At the present time, you see, we have a non-elected President, and the Congress is not afraid to oppose him. In addition, this current Congress was elected immediately after Watergate.

SECRET/NODIS

SECRET/NODIS

- 8 -

Foreign Minister: There soon will be an ASEAN Summit and at this meeting we hope to discuss the establishment of an ammunition plant to serve all the ASEAN countries.

The Secretary: That seems like a good idea.

Our interest in Southeast Asia remains strong. We appreciate the spirit in which the negotiations for our withdrawal have taken place. I gather that all issues have been solved except for the U-2's. (Pause.)

It is important that we still have a presence in Southeast Asia. We appreciate what you did in Vietnam. I am, personally, embarrassed by the Vietnam War. I believe that if you go to war, you go to win and not to lose with moderation.

We are aware that the biggest threat in Southeast Asia at the present time is North Vietnam. Our strategy is to get the Chinese into Laos and Cambodia as a barrier to the Vietnamese.

Foreign Minister: I asked the Chinese to take over in Laos. They mentioned that they had a road building team in northern Laos.

The Secretary: We would support this. You should also tell the Cambodians that we will be friends with them. They are murderous thugs, but we won't let that stand in our way. We are prepared to improve relations with them. Tell them the latter part, but don't tell them what I said before.

Ambassador Anan: The Lao want to be out from under Soviet influence. Perhaps they would like to have the Chinese.

SECRET/NODIS

SECRET/NODIS

- 9 -

Foreign Minister: The Lao Government leans toward the Vietnamese and the Soviets, but the Lao people lean toward Thailand. They are having a difficult time now.

The Secretary: Why?

Foreign Minister: Because we have closed the border and they cannot get the things they need.

Mr. Habib: Will you reopen the border if they return your patrol boat?

Foreign Minister: We will keep the border closed until they decide to act in a more friendly fashion.

The Secretary: You must act firmly. That's the only way to deal with the Communists.

Foreign Minister: We have more people than Laos or Cambodia. The Vietnamese are a more serious problem, and they want us to return the aircraft which were flown out of Vietnam.

The Secretary: But you won't do that, will you?

Foreign Minister: We want you to talk to them about it.

Mr. Habib: (To Chatchai) We have given some of them to you.

The Secretary: Do the Vietnamese know which ones you have?

Foreign Minister: They have a list. They know where each airplane has gone.

Mr. Habib: But the list is not accurate.

Foreign Minister: But they have photographs of the aircraft on the Midway.

SECRET/NODIS

SECRET/NODIS

- 10 -

The Secretary: That was really unbelievable. What a brilliant idea to take such pictures, but then you cannot do anything about our press.

Can we take more aircraft away from Thailand?

Foreign Minister: No. They are all cut up.

The Secretary: What?!!

Mr. Habib: No, that's not true.

The Secretary: We must look into this. (To Chatchai) Are you sure?

Foreign Minister: Whitehouse showed me the picture.

Mr. Habib: Do you mean cracked up or cut up?

Foreign Minister: Cracked up--cut up. It's all the same.

The Secretary: Can we give some of these aircraft to the Thai?

Mr. Habib: We have already.

Foreign Minister: We have guns and aircraft but no bombs or bullets.

The Secretary: Can't you buy them with FMS?

Foreign Minister: It's not enough.

Mr. Habib: It's a question of priorities. We make a certain amount available and it is up to us both together to work out the priorities.

Foreign Minister: What we would really like to do is build an ammunition plant for all the ASEAN countries.

The Secretary: Can we help with that?

SECRET/NODIS

SECRET/NODIS

- 11 -

Mr. Habib: Yes, perhaps through a joint venture. As the Secretary said, we would try and interest American companies in such a project.

The Secretary: We have not lost our interest in Thailand.

Mr. Habib: The problem with the ammunition plant proposal is that the plans must be more firm. There have to be technical talks in order to arrange all the details.

Foreign Minister: We need ammunition.

Mr. Habib: Some of the ammunition now in Thailand could possibly be given under MAP, but some is there as part of our own reserves. I believe you have accepted that.

Foreign Minister: (Nods.) What is your policy towards Southeast Asia?

The Secretary: Our policy is to preserve the independence of the Southeast Asian countries. We will help to modernize your forces. We will support you diplomatically.

(Toast) Mr. Minister, this is an informal lunch, but I want you to know that we feel that Thailand is an old friend and we appreciate your support during a difficult conflict. We will not forget what you did, and we will not forget Thailand. I would therefore like to propose a toast to you, Mr. Minister, and to all those who came with you. (Rises and proposes a toast to Chatchai.)

SECRET/NODIS

SECRET/NODIS

- 12 -

Foreign Minister: (Toast) We are glad that we were able to come here today, and we are glad to have had the opportunity of meeting with you over lunch.

After you left Indochina, we in Thailand felt alone, but I would like to make the point first that our relations are very good and will undoubtedly continue to be very good. Second, we have come here today to tell you of our need to re-equip and reorganize the Thai armed forces. Third, we wanted to tell you about the situation with our neighbors in Southeast Asia. Fourth and last, we wanted to ask your help in encouraging American businessmen to invest in Thailand. We would like you to tell them about our democratic system. The Thai economy is currently having problems because foreign investment is down. The rice market is also down. The sugar crop is good. We are the largest rice exporter. We would ask you to adjust your rice exports, particularly to our traditional markets in South Asia. I would like to thank you for having us here today. (Rises and proposes a toast.)

The Secretary:

I am very touched by your willingness to come here. We attach great importance to our relations with Thailand. My colleagues know that I was not pleased with the Vietnam War. Winning is always better than losing, but we must adjust to the new circumstances. ASEAN is a very good idea. The individual members of ASEAN are all our friends. The President will tell the Filipinos and Indonesians this when he visits them on his way home from China, and I want to tell you also.

As for modernizing your armed forces, we will do all that we can. We will seek increased FMS and MAP. We will

SECRET/NODIS

SECRET/NODIS

- 13 -

have problems, but after the elections we will be in better shape. This Congress is very difficult.

Mr. Scowcroft: This Congress is impossible.

The Secretary: Have you an extradition treaty with us? As I told the people in Detroit yesterday, I am going to China because they have no extradition treaty with us, and if Congress does not give us what we need, I won't come home and no one will be able to make me come home. If there is no extradition treaty with Thailand, I may go to Thailand.

We will make an effort to help you with your problems. The Bureau of East Asian Affairs will support a modernization program. We want Thailand to be strong. Have you received any arms from China?

Foreign Minister: No.

The Secretary: Are there any M-16's from Indochina in Thailand?

Foreign Minister: Yes. Some have appeared down South.

The Secretary: What about in the Northeast?

Foreign Minister: Yes, some have appeared there. That's why we have to have a patrol boat on the Mekong.

The Secretary: Can you control the insurgents?

Foreign Minister: Yes. You should ask General Saiyut.

The Secretary: You can?

General Saiyut: Yes.

Marshal Sitthi: Yes, but it will take time.

SECRET/NODIS

SECRET/NODIS

- 14 -

The Secretary: Do the Chinese support the insurgents?

Foreign Minister: They follow a two-track policy. The insurgents have moral support from the Chinese Communist Party.

The Secretary: Mao does not like foreign communists at all. I am not sure that he likes Chinese Communists either. Did he form words when you met with him in Peking?

Foreign Minister: They used interpreters. There was a very nice-looking girl, Nancy Tang. When we came into the room, we did not see Mao at first. He was sitting in a chair. Then he stood up and greeted Prime Minister Khukrit. During the conversation, there was interpretation from Chinese to Chinese to English. Sometimes he would write things.

The Secretary: It was the same way when I saw him.

Foreign Minister: Who will handle the Chinese after Mao has gone?

The Secretary: I don't know. Teng is a good bureaucrat, but he is not a leader. Did you see Chou?

Ambassador Anan: We only saw him for half an hour.

The Secretary: Chou and I used to go at it for six hours.

Foreign Minister: Communist China is very poor, especially in the South. The people are barefoot and dirty.

The Secretary: That's very unusual.

Foreign Minister: When I asked to go to Kunming, they asked why I wanted to go there. I said that it was the former Thai capital and I

SECRET/NODIS

SECRET/NODIS

- 15 -

wanted to liberate it. It was very poor; the food there was the same as in Chiang Mai in northern Thailand. The people speak a Thai dialect. When I got there and they raised the Thai flag over the place where we were staying, our escort said "See, you have already liberated Kunming".

The Chinese fully support the Cambodians.

The Secretary: What do the Chinese say about the Vietnamese?

Foreign Minister: They talk a lot about hegemony.

The Secretary: I put that in my speech in Detroit.

Foreign Minister: You know, I was a classmate of General Haig and Spiro Agnew.

Mr. Scowcroft: Really?

Foreign Minister: At Fort Knox. When you stop off only in the Philippines and Indonesia after returning from your trip to China, we feel abandoned. We think that you are re-drawing your defense line so that it does not include Thailand.

The Secretary: There was just no way that we could add another country to the President's itinerary. He has to be back in Washington, but I promise you that we will send the Vice-President to Thailand in the spring.

Foreign Minister: Couldn't you just refuel in Bangkok on your way from Peking to Indonesia?

The Secretary: That's a new idea. (To Mr. Habib) Look into it. It would be very difficult, but I am sure we can send the Vice-President in March.

SECRET/NODIS

SECRET/NODIS

- 16 -

Foreign Minister: All you would have to do is refuel for a short moment at Don Maung.

The Secretary: I don't know. That would probably be impossible.

Ambassador Anan: The problem is that you would have to go around Vietnam. Bangkok is not on a direct line from Peking to Indonesia.

Foreign Minister: You could just fly across Burma. They would not object.

The Secretary: I don't think we can do it. But your public should not draw any conclusions from this. I'm telling you this. We have a very tight schedule on this trip. (To Mr. Habib) Phil, are you going to Bangkok?

Mr. Habib: Yes, you have asked me to.

Foreign Minister: We would also like your help in making Utapao an international airport. We would like you to tell Ambassador Whitehouse to do this.

The Secretary: Why can't we do it?

Mr. Habib: It would be very expensive.

Foreign Minister: We would also like you to tell Collins and Lockheed to invest in Thailand. They are waiting for an O.K. from the State Department.

The Secretary: Is that true?

Mr. Habib: No. The Minister wants a major maintenance and overhaul facility at Utapao. It would be very expensive.

Foreign Minister: The Thai Air Force wants to keep Korat, but Utapao could be made into a civilian international airport.

SECRET/NODIS

SECRET/NODIS

- 17 -

The Secretary: That would seem to be all right.

Foreign Minister: We also would like you to change JUSMAG to MAG, a military advisory group, and transfer some MACTHAI functions to this MAG.

Mr. Habib: You know the information produced by some of our residual activities will be very useful to you.

Foreign Minister: On our side, it is all O.K. There is no problem. It is only on your side--with your press--that there seems to be any problem.

The Secretary: The press is impossible.

Foreign Minister: Ours is also troublesome. The problem is now that we have too much democracy.

I would like to thank you again for having us at lunch today.

The Secretary: We will do our best within our constraints to help you.

On the way out to the elevators, Mr. Habib suggested to the Secretary that he and the Minister agree as to what would be said to the press. The Secretary suggested that he and the Minister say that they had very good talks covering the entire U.S.-Thai relationship, including useful discussions on the security of Thailand.

Drafted by: *MR* EA/TB:GBRoberts:mgh
11/28/1975 x23698

Concurrence: *MR*
EA - Mr. Habib (draft)

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TO: S - Mr. Barkman

FROM: Director, S/S-9

Subject: MEMORANDUM OF CONVERSATION

The Secretary/ Chatchai

Date 11/26/75

Notetaker Roberts

The attached memorandum of conversation is submitted for an S clearance and approval of distribution. A proposed follow-up tasking memorandum is/is not attached.

Please return the memcon and any tasking memo to S/S for distribution.

ALSO NOTE VP to Thailand in March 1976
No suspense items, EXCEPT QUESTIONS (p.15)

WHICH ARE SUBJECTS OF OUR ONGOING DIALOGUE WITH THE THAI GOVERNMENT. IT BE GSS SENSITIVE IN VIEW OF REFERENCES TO KOREAN GIRLS & CHARACTERISTICS OF VARIOUS

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